

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

Objections Due: May 30, 2025 at 4:00 P.M. (ET)
Hearing Date: To be scheduled if necessary

**NOTICE OF FIFTH MONTHLY FEE APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF PACHULSKI STANG ZIEHL & JONES LLP,
AS COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
FOR THE PERIOD FROM MARCH 1, 2025 THROUGH MARCH 31, 2025**

PLEASE TAKE NOTICE that on May 9, 2025, Pachulski Stang Ziehl & Jones LLP, counsel for the official committee of unsecured creditors (the “Committee”), filed its *Fifth Monthly Fee Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Counsel for the Official Committee of Unsecured Creditors for the Period From*

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

March 1, 2025 through March 31, 2025 (the “Application”), seeking compensation for the reasonable and necessary services rendered to the Committee in the amount of \$633,294.00 and reimbursement for actual and necessary expenses in the amount of \$7,737.68. A copy of the Application is attached hereto for service upon you.

PLEASE TAKE FURTHER NOTICE that any response or objection to the Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801 (the “Court”) on or before **May 30, 2025 at 4:00 p.m. Eastern Time.**

The Application is submitted pursuant to the *Order Establishing Procedures for Interim Compensation and Reimbursement of Estate Professionals* [Docket No. 353] (the “Administrative Order”) and the *Order Appointing Fee Examiner and Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses* [Docket No. 747] (the “Fee Examiner Order”).

PLEASE TAKE FURTHER NOTICE that at the same time, you must also serve a copy of the response or objection upon the following parties (the “Fee Notice Parties”): (i) counsel to the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, NY 10022, Attn: Joshua A. Sussberg, P.C. (jsussberg@kirkland.com), Nicole L. Greenblatt, P.C. (nicole.greenblatt@kirkland.com), Mark McKane, P.C. (mark.mckane@kirkland.com), and Derek I. Hunter (derek.hunter@kirkland.com), Maddison Levine (maddison.levine@kirkland.com), and Brian J. Nakhaimousa (brian.nakhaimousa@kirkland.com), and (b) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn: Edmon L. Morton, Esq. (emorton@ycst.com), Matthew B. Lunn, Esq. (mlunn@ycst.com), and Allison S. Mielke, Esq. (amielke@ycst.com); (ii) counsel to the Committee, Pachulski Stang Ziehl & Jones

LLP, (a) 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899, Attn: Bradford J. Sandler, Esq. (bsandler@pszjlaw.com) and Colin R. Robinson, Esq. (crobinson@pszjlaw.com), and (b) 1700 Broadway, 36th Floor, New York, NY 10019, Attn: Robert J. Feinstein, Esq. (rfeinstein@pszjlaw.com), Shirley S. Cho, Esq. (scho@pszjlaw.com), and Theodore S. Heckel, Esq. (theckel@pszjlaw.com); (iii) the U.S. Trustee, J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Timothy J. Fox, Esq. (timothy.fox@usdoj.gov); (iv) counsel to the DIP Lenders and Ad Hoc Group of First Lien Lenders, (a) Paul Hastings LLP, 200 Park Avenue, New York, NY 10166, Attn: Jayme Goldstein, Esq. (jaymegoldstein@paulhastings.com), Jeremy Evans, Esq. (jeremyevans@paulhastings.com), and Isaac Sasson, Esq. (isaacsasson@paulhastings.com), and (b) Landis Rath & Cobb LLP, 919 N. Market Street Suite 1800, Wilmington, DE 19317, Attn: Adam G. Landis, Esq. (landis@lrclaw.com) and Matthew McGuire, Esq. (mcguire@lrclaw.com); (v) counsel to the DIP Agent, (a) Seward & Kissel LLP, One Battery Park Plaza, New York, NY 10004, Attn: Gregg Bateman, Esq. (bateman@sewkis.com), Sagar Patel, Esq. (patel@sewkis.com), and Michael Danenberg, Esq. (danenberg@sewkis.com); (vi) the fee examiner appointed in these Chapter 11 Cases, Don F. Oliver, Direct Fee Review LLC, 24A Trolley Square, #1225, Wilmington, Delaware, 19806, with an electronic copy sent to dfr.dfo@gmail.com and dfr.wjd@gmail.com; (vii) counsel to the ABL Lenders, Latham & Watkins LLP, 1271 Avenue of the Americas, New York, NY 10020, Attn: Jennifer Ezring, Esq. (Jennifer.Ezring@lw.com), James Ktsanes, Esq. (James.Ktsanes@lw.com) and Andrew Sorkin, Esq. (andrew.sorkin@lw.com); (viii) counsel to the Second Lien Term Loan Lenders, White & Case LLP, 200 S Biscayne Blvd, Miami, FL 33131, Attn: Thomas Lauria, Esq. (tlauria@whitecase.com), and 111 S. Wacker Dr., Suite 5100, Chicago,

IL 60606, Attn: Bojan Guzina, Esq. (bojan.guzina@whitecase.com); and (ix) counsel to the HoldCo Lenders at the addresses set forth in (vii) above.

PLEASE TAKE FURTHER NOTICE the terms and conditions of the Administrative Order shall not be modified by the Fee Examiner Order, except that not later than three (3) business days after the filing of an Application, an Estate Retained Professional² shall send to the Fee Examiner via electronic mail such Application and any time entries and the expense detail filed therewith in Adobe Acrobat (pdf) format and searchable electronic format (in LEDES, or Excel, as specified by the Fee Examiner), as applicable Fee Detail. If any Estate Retained Professional cannot reasonably convert its Fee Detail to the electronic formats described above, the Fee Examiner and the Estate Retained Professionals shall cooperate in good faith to agree on an appropriate electronic format.

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS ARE FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES, THEN 80% OF FEES AND 100% OF EXPENSES REQUESTED IN THE APPLICATION MAY BE PAID PURSUANT TO THE ADMINISTRATIVE ORDER WITHOUT FURTHER HEARING OR ORDER OF THE COURT.

IF A TIMELY OBJECTION IS FILED AND SERVED, A HEARING ON THE APPLICATION WILL BE HELD AT A DATE AND TIME TO BE DETERMINED.

² Capitalized terms used but not otherwise defined in this Application have the meaning given to such terms in the Fee Examiner Order.

Dated: May 9, 2025

Respectfully submitted,

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Bradford J. Sandler

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-and-

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*Counsel to the Official Committee
of Unsecured Creditors*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

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(Jointly Administered)

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**FIFTH MONTHLY FEE APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF PACHULSKI STANG ZIEHL & JONES LLP,
AS COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
FOR THE PERIOD FROM MARCH 1, 2025 THROUGH MARCH 31, 2025**

Name of Applicant:	Pachulski Stang Ziehl & Jones LLP
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
Date of Retention:	Effective as of November 21, 2024 by order signed January 28, 2025 [Docket No. 854]
Period for which Compensation and Reimbursement is Sought:	March 1, 2025 through March 31, 2025 ²

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

² The applicant reserves the right to include any time expended in the time period indicated above in future application(s) if it is not included herein.

Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$633,294.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$7,737.68

This is a: ☒ monthly ☐ interim ☐ final application.

The total time expended for fee application preparation is approximately 20.0 hours and the corresponding compensation requested is approximately \$10,000.00.

PRIOR APPLICATIONS FILED

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved/Paid Fees (80%)	Approved/Paid Expenses (100%)
2/3/25 Dkt. No. 900	11/1/25- 11/30/25	\$478,391.00	\$1,641.39	\$382,712.80	\$1,641.39
3/5/25 Dkt. No. 1056	12/1/24- 12/31/24	\$1,193,249.25	\$34,762.32	\$954,599.40	\$34,762.32
3/11/25 Dkt. No. 1078	1/1/25- 1/31/25	\$1,072,268.00	\$2,384.51	\$857,814.40	\$2,384.51
4/21/25 Dkt. No. 1295	2/1/25- 2/28/25	\$931,710.25	\$9,118.09	Pending	Pending

PSZJ PROFESSIONALS

Name of Professional Individual	Position of the Applicant, Year of Obtaining License to Practice	Hourly Billing Rate (including Changes)	Total Hours Billed	Total Compensation
Kornfeld, Alan J.	Partner, 1987	\$1,995.00	40.10	\$79,999.50
Sandler, Bradford J.	Partner, 1996	\$1,895.00	37.40	\$70,873.00
Walker, Jim W.	Partner, 1985	\$1,975.00	36.50	\$72,087.50
Litvak, Maxim B.	Partner, 1997	\$1,725.00	6.20	\$10,695.00
Labov, Paul J.	Partner, 2002	\$1,595.00	25.40	\$40,513.00
Feinstein, Robert J.	Partner, 1982	\$1,950.00	35.40	\$69,030.00
Cho, Shirley S.	Partner, 1997	\$1,525.00	9.10	\$13,877.50
Levine, Beth E.	Counsel, 1983	\$1,350.00	100.10	\$135,135.00
Robinson, Colin R.	Counsel, 1997	\$1,325.00	3.90	\$5,167.50
Kroop, Jordan A.	Counsel, 1995	\$1,625.00	10.50	\$17,062.50
Kim, Jonathan J.	Counsel, 1995	\$1,425.00	0.50	\$712.50
Flanagan, Tavi C.	Counsel, 1993	\$1,375.00	1.90	\$2,612.50

Name of Professional Individual	Position of the Applicant, Year of Obtaining License to Practice	Hourly Billing Rate (including Changes)	Total Hours Billed	Total Compensation
Wilson, Brooke E.	Associate, 2022	\$725.00	16.20	\$11,745.00
Winograd, Hayley R.	Associate, 2018	\$1,150.00	27.30	\$31,395.00
Heckel, Theodore S.	Associate, 2018	\$1,225.00	32.00	\$39,200.00
Bates, Andrea T.	Paralegal	\$650.00	41.60	\$27,040.00
Knotts, Cheryl A.	Paralegal	\$575.00	0.60	\$345.00
Cuniff, Patricia E.	Paralegal	\$625.00	2.10	\$1,312.50
Forrester, Leslie A.	Library	\$675.00	1.30	\$877.50
Arnold, Gary L	Case Management Assistant	\$495.00	7.30	\$3,613.50
Grand Total			435.40	\$633,294.00

Grand Total: \$633,294.00
Total Hours: 435.40
Blended Rate: \$1,454.51

COMPENSATION BY CATEGORY

Project Categories	Total Hours	Total Fees
Asset Analysis and Recovery	0.20	\$379.00
Asset Disposition	0.30	\$568.50
Appeals	4.00	\$6,721.50
Bankruptcy Litigation	229.80	\$344,408.50
Case Administration	13.40	\$9,868.50
Claims Administration and Objections	1.00	\$1,761.00
PSZJ Compensation	19.50	\$17,543.50
Other Professional Compensation	16.40	\$18,884.50
Contract and Lease Matters	0.40	\$721.00
Financial Filings	0.10	\$189.50
Financing/Cash Collateral/Cash Management	19.40	\$17,299.00
General Creditors' Committee	1.30	\$2,480.00
Hearings	6.20	\$8,409.00
Operations	0.40	\$763.50
Plan and Disclosure Statement	104.40	\$173,700.50
Other Professional Retention	15.90	\$24,441.50
Stay Litigation	2.70	\$5,155.00
Grand Total	435.40	\$633,294.00

EXPENSE SUMMARY

Expense Category	Service Provider³ (if applicable)	Total Expenses
Auto Travel Expense		\$136.40
Working Meals		\$58.25
Delivery/Courier Services		\$127.50
Lexis/Nexis - Legal Research		\$760.00
Litigation Support Vendors		\$4,906.00
PACER - Court Research		\$343.80
Postage		\$80.23
Reproduction Expense		\$404.10
Transcript	Reliable	\$921.40
Total		\$7,737.68

³ PSZJ may use one or more service providers. The service providers identified herein below are the primary service providers for the categories described.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

Objections Due: May 30, 2025 at 4:00 P.M. (ET)

Hearing Date: To be scheduled if necessary

**FIFTH MONTHLY FEE APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF PACHULSKI STANG ZIEHL & JONES LLP,
AS COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
FOR THE PERIOD FROM MARCH 1, 2025 THROUGH MARCH 31, 2025**

Pursuant to sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively, the “Bankruptcy Rules”) and this Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of Estate Professionals*, [Docket No. 353] (the “Administrative Order”) and the *Order Appointing Fee Examiner and Establishing Procedures for Consideration of Requested Fee*

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

Compensation and Reimbursement of Expenses [Docket No. 747] (the “Fee Examiner Order”), Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”), counsel for the official committee of unsecured creditors (the “Committee”), hereby submits its *Fifth Monthly Fee Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Counsel for the Official Committee of Unsecured Creditors for the Period of March 1, 2025 through March 31, 2025* (the “Application”).

By this Application PSZJ seeks a monthly interim allowance of compensation in the amount of \$633,294.00 and actual and necessary expenses in the amount of \$7,737.68 for a total allowance of \$641,031.68 and (ii) payment of \$506,635.20 (80% of the allowed fees pursuant to the Administrative Order) and reimbursement of \$7,737.68 (100% of the allowed expenses pursuant to the Administrative Order) for a total payment of \$514,372.88 for the period March 1, 2025 through March 31, 2025 (the “Fee Period”):

Background

1. On November 3, 2024 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. The Debtors are authorized to continue operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

2. On November 19, 2024, the Office of the United States Trustee appointed the Committee in this case pursuant to 11 U.S.C. § 1102 [Docket No. 188]. The members appointed to the Committee are (i) Nestle and its Subsidiaries, including Nestle Purina Petcare, Nestle USA,

Garden of Life, Orgain, & Atrium; (ii) Solstice Sleep Company; (iii) Federal Warranty Service Corporation; (iv) NNN REIT, LP (fka National Retail Properties); and (v) Jennifer Walker, Individually and in her Capacity as Putative Class Representative.

3. On November 21, 2024, the Committee selected PSZJ as counsel, and thereafter the Committee selected Province, LLC (“Province”) as financial advisor.

4. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

5. On December 6, 2024, the Court entered the Administrative Order, authorizing estate professionals (“Professionals”) to submit applications for interim compensation and reimbursement for expenses, pursuant to the procedures specified therein. The Administrative Order provides, among other things, that a Professional may submit monthly fee applications. If no objections are made within twenty-one (21) days after service of the monthly fee application the Debtors are authorized to pay the Professional eighty percent (80%) of the requested fees and one hundred percent (100%) of the requested expenses. Beginning with the period November 3, 2024 through January 31, 2025, and at three-month intervals or such other intervals convenient to the Court, each of the Professionals may file and serve an interim application for allowance of the amounts sought in its monthly fee applications for that period. All fees and expenses paid are on an interim basis until final allowance by the Court.

6. On January 15, 2025, the Court entered the Fee Examiner Order to assist the Court in its determination of whether the Applications submitted by Professionals are compliant with the Bankruptcy Code, all applicable Bankruptcy Rules, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware and the Administrative Order. The terms and conditions of the Administrative Order shall not be modified

by the Fee Examiner Order, except that not later than three (3) business days after the filing of an Application, an Estate Retained Professional² shall send to the Fee Examiner via electronic mail such Application and any time entries and the expense detail filed therewith in Adobe Acrobat (pdf) format and searchable electronic format (in LEDES, or Excel, as specified by the Fee Examiner), as applicable Fee Detail. If any Estate Retained Professional cannot reasonably convert its Fee Detail to the electronic formats described above, the Fee Examiner and the Estate Retained Professionals shall cooperate in good faith to agree on an appropriate electronic format.

7. The retention of PSZJ, as counsel to the Committee, was approved effective as of November 21, 2024, by this Court's *Order Authorizing the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors Effective as of November 21, 2024* [Docket No. 854] (the "Retention Order"). The Retention Order authorized PSZJ to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

PSZJ's APPLICATION FOR COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES

Compensation Paid and Its Source

8. All services for which PSZJ requests compensation were performed for or on behalf of the Committee. PSZJ has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between PSZJ and any other person other than the partners of PSZJ for the sharing of compensation to be received for services rendered in this case. PSZJ has not received a retainer in this case.

² Capitalized terms used but not otherwise defined in this Application have the meaning given to such terms in the Fee Examiner Order.

Fee Statements

9. The invoice for the Fee Period is attached hereto as **Exhibit A**. This statement contains daily time logs describing the time spent by each attorney and paraprofessional during the Interim Period. To the best of PSZJ's knowledge, this Application complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Administrative Order, and the Fee Examiner Order. PSZJ's time reports are initially handwritten or directly entered in the billing system, by the attorney or paralegal performing the described services. The time reports are organized on a daily basis. PSZJ is particularly sensitive to issues of "lumping" and, unless time was spent in one time frame on a variety of different matters for a particular client, separate time entries are set forth in the time reports. PSZJ's charges for its professional services are based upon the time, nature, extent and value of such services and the cost of comparable services other than in a case under the Bankruptcy Code. To the extent it is feasible, PSZJ professionals attempt to work during travel.

Actual and Necessary Expenses

10. A summary of the actual and necessary expenses incurred by PSZJ for the Fee Period is attached hereto as part of **Exhibit A**. PSZJ customarily charges \$0.10 per page for photocopying expenses related to cases, such as this, arising in Delaware. PSZJ's photocopying machines automatically record the number of copies made when the person that is doing the copying enters the client's account number into a device attached to the photocopier. PSZJ summarizes each client's photocopying charges on a daily basis.

11. PSZJ charges \$0.25 per page for out-going facsimile transmissions. There is no additional charge for long distance telephone calls on faxes. The charge for outgoing facsimile transmissions reflects PSZJ's calculation of the actual costs incurred by PSZJ for the machines,

supplies and extra labor expenses associated with sending telecopies and is reasonable in relation to the amount charged by outside vendors who provide similar services. PSZJ does not charge the Debtor for the receipt of faxes in this case.

12. With respect to providers of on-line legal research services (e.g., LEXIS and WESTLAW), PSZJ charges the standard usage rates these providers charge for computerized legal research. PSZJ bills its clients the actual amounts charged by such services, with no premium. Any volume discount received by PSZJ is passed on to the client.

13. PSZJ believes the foregoing rates are the market rates that the majority of law firms charge clients for such services. In addition, PSZJ believes that such charges are in accordance with the American Bar Association's ("ABA") guidelines, as set forth in the ABA's Statement of Principles, dated January 12, 1995, regarding billing for disbursements and other charges.

Summary of Services Rendered

14. The names of the timekeepers of PSZJ who have rendered professional services in this case during the Interim Period are set forth in the attached **Exhibit A**. PSZJ, by and through such persons, has prepared and assisted in the preparation of various motions and orders submitted to the Court for consideration, advised the Committee on a regular basis with respect to various matters in connection with the Debtors' cases, and performed all necessary professional services which are described and narrated in detail below.

Summary of Services by Project

15. The services rendered by PSZJ during the Fee Period can be grouped into the categories set forth below. PSZJ attempted to place the services provided in the category that best relates to such services. However, because certain services may relate to one or more categories, services pertaining to one category may in fact be included in another category. These services

performed, by categories, are generally described below, with a more detailed identification of the actual services provided set forth on the attached **Exhibit A**. Exhibit A identifies the attorneys and paraprofessionals who rendered services relating to each category, along with the number of hours for each individual and the total compensation sought for each category.

A. Asset Analysis and Recovery

16. During the Fee Period, the Firm, among other things, conferred regarding potential claims.

Fees: \$379.00 Hours: 0.20

B. Asset Disposition

17. During the Fee Period, the Firm, corresponded regarding the sales process.

Fees: \$568.50 Hours: 0.30

C. Appeals

18. During the Fee Period, the Firm, among other things, (i) reviewed and analyzed appellants' supplemental brief; (ii) investigated scheduling order regarding supplemental brief; and (iii) corresponded regarding analysis of appellate scheduling order.

Fees: \$6,721.50 Hours: 4.00

D. Bankruptcy Litigation

19. During the Fee Period, the Firm, among other things, (i) continued reviewing discovery production documents received; (ii) reviewed intercompany transfers; (iii) participated in meet and confer calls on discovery issues; (iv) researched solvency analysis in connection with potential claims; (v) prepared discovery responses; (vi) draft a challenge complaint; (vii) analyzed valuation issues in connection with potential claims and related issues; (viii) reviewed a solvency analysis update; (ix) continued work on avoidance action claims; (x) drafted and revised document

requests to Debtors; (xi) conferred regarding dividend claims; (xii) drafted Committee responses to informal discovery requests; and (xiii) reviewed expert reports and rebuttal reports.

Fees: \$344,408.50 Hours: 229.80

E. Case Administration

20. During the Fee Period, the Firm (i) attended Committee professionals' meetings; (ii) reviewed filed pleadings and updated critical dates memorandum; and (iii) corresponded with Firm team members regarding workstreams and case strategy.

Fees: \$9,868.50 Hours: 13.40

F. Claims Administration and Objections

21. During the Fee Period, the Firm, (i) reviewed various claims; and (ii) reviewed CBRE motion regarding administration expenses.

Fees: \$1,761.00 Hours: 1.00

G. PSZJ Compensation

22. During the Fee Period, the Firm drafted and revised the Firm's January and February fee statements; and drafted the Firm's first interim fee application.

Fees: \$17,543.50 Hours: 19.50

H. Other Professional Compensation

23. During the Fee Period, the Firm, among other things (i) reviewed the Debtors' professionals fee applications; (ii) reviewed and filed Perella Weinberg's first monthly fee statement; (iii) reviewed and filed Province's January fee statement; and (iv) reviewed and finalized Province's first interim fee application.

Fees: \$18,884.50 Hours: 16.40

I. Contract and Lease Matters

24. During the Fee Period, the Firm, analyzed and corresponded regarding various leases; and corresponded with Province regarding the Debtors' rejection motion; and reviewed the Debtors' monthly operating reports.

Fees: \$721.00 Hours: 0.40

J. Financial Filings

25. During the Fee Period, the Firm, reviewed the Debtors' monthly operating report.

Fees: \$189.50 Hours: 0.10

K. Financing/Cash Collateral/Cash Management

26. During the Fee Period, the Firm, among other things, (i) analyzed relevant pleadings and case law regarding superpriority administrative expense claims; and (ii) conducted research regarding the diminution motion.

Fees: \$17,299.00 Hours: 19.40

L. General Creditors' Committee

27. During the Fee Period, the Firm, among other things, corresponded with Committee members regarding various case matters.

Fees: \$2,480.00 Hours: 1.30

M. Hearings

28. During the Fee Period, the Firm, among other things, (i) corresponded with the Debtors regarding hearing preparations and agenda updates; (ii) reviewed witness and exhibit lists filed by the Debtors' and second lienholders; and (iii) attended a status conference regarding pending settlement and status of litigation.

Fees: \$8,409.00 Hours: 6.20

N. Operations

29. During the Fee Period, the Firm, reviewed critical vendor reporting and payment schedules.

Fees: \$763.50 Hours: 0.40

O. Plan and Disclosure Statement

30. During the Fee Period, the Firm, among other things, (i) reviewed the Debtors' Sixth Amended Plan and related Plan Supplement; (ii) reviewed several expert reports; (iii) analyzed expert valuation issues; (iv) reviewed objections to the Debtors' exclusivity extension motion; (v) reviewed issues with the OpCo Litigation Trust; (vi) reviewed and analyzed plan valuation issues; and (vii) reviewed and analyzed the litigation trust agreement.

Fees: \$173,700.50 Hours: 104.40

P. Other Professional Retention

31. During the Fee Period, the Firm, among other things, (i) reviewed Debtors' retention application; (ii) reviewed Hilco's retention application; (iii) reviewed the additional ordinary course professionals list; (iv) drafted the Committee's expert retention application; (v) reviewed supplemental declarations filed by Debtors' professionals; and (vi) reviewed the Chilmark retention application.

Fees: \$24,441.50 Hours: 15.90

Q. Stay Litigation

32. During the Fee Period, the Firm reviewed a motion to lift the automatic stay.

Fees: \$5,155.00 Hours: 2.70

Valuation of Services

33. Attorneys and paraprofessionals of PSZJ expended a total 435.40 hours in connection with their representation of the Committee during the Fee Period, as follows:

Name of Professional Individual	Position of the Applicant, Year of Obtaining License to Practice	Hourly Billing Rate (including Changes)	Total Hours Billed	Total Compensation
Kornfeld, Alan J.	Partner, 1987	\$1,995.00	40.10	\$79,999.50
Sandler, Bradford J.	Partner, 1996	\$1,895.00	37.40	\$70,873.00
Walker, Jim W.	Partner, 1985	\$1,975.00	36.50	\$72,087.50
Litvak, Maxim B.	Partner, 1997	\$1,725.00	6.20	\$10,695.00
Labov, Paul J.	Partner, 2002	\$1,595.00	25.40	\$40,513.00
Feinstein, Robert J.	Partner, 1982	\$1,950.00	35.40	\$69,030.00
Cho, Shirley S.	Partner, 1997	\$1,525.00	9.10	\$13,877.50
Levine, Beth E.	Counsel, 1983	\$1,350.00	100.10	\$135,135.00
Robinson, Colin R.	Counsel, 1997	\$1,325.00	3.90	\$5,167.50
Kroop, Jordan A.	Counsel, 1995	\$1,625.00	10.50	\$17,062.50
Kim, Jonathan J.	Counsel, 1995	\$1,425.00	0.50	\$712.50
Flanagan, Tavi C.	Counsel, 1993	\$1,375.00	1.90	\$2,612.50
Wilson, Brooke E.	Associate, 2022	\$725.00	16.20	\$11,745.00
Winograd, Hayley R.	Associate, 2018	\$1,150.00	27.30	\$31,395.00
Heckel, Theodore S.	Associate, 2018	\$1,225.00	32.00	\$39,200.00
Bates, Andrea T.	Paralegal	\$650.00	41.60	\$27,040.00
Knotts, Cheryl A.	Paralegal	\$575.00	0.60	\$345.00
Cuniff, Patricia E.	Paralegal	\$625.00	2.10	\$1,312.50
Forrester, Leslie A.	Library	\$675.00	1.30	\$877.50
Arnold, Gary L	Case Management Assistant	\$495.00	7.30	\$3,613.50
Grand Total			435.40	\$633,294.00

Grand Total: \$633,294.00
Total Hours: 435.40
Blended Rate: \$1,454.51

34. The nature of work performed by these persons is fully set forth in **Exhibit A** attached hereto. These are PSZJ's normal hourly rates for work of this character. The reasonable value of the services rendered by PSZJ for the Committee during the Fee Period is \$633,294.00.

35. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by PSZJ is fair and reasonable given (a) the complexity of this case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, PSZJ has reviewed the requirements of Del. Bankr. LR 2016-2 and the Administrative Order and believes that this Application complies with such Rule and Order.

[Remainder of Page Intentionally Left Blank]

WHEREFORE, PSZJ respectfully requests that, for the period of March 1, 2025 through March 31, 2025, (i) a monthly allowance be made to PSZJ for compensation in the amount \$633,294.00 and actual and necessary expenses in the amount of \$7,737.68 for a total allowance of \$641,031.68 and (ii) payment of \$506,635.20 (80% of the allowed fees pursuant to the Administrative Order) and reimbursement of \$7,737.68 (100% of the allowed expenses pursuant to the Administrative Order) for a total payment of \$514,372.88, and for such other and further relief as this Court may deem just and proper.

Dated: May 9, 2025

Respectfully submitted,

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Bradford J. Sandler

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-and-

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*Counsel to the Official Committee
of Unsecured Creditors*

DECLARATION

STATE OF DELAWARE :
:
COUNTY OF NEW CASTLE :

Bradford J. Sandler, after being duly sworn according to law, deposes and says:

a) I am a partner with the applicant law firm Pachulski Stang Ziehl & Jones LLP, and am admitted to appear before this Court.

b) I am familiar with the legal services rendered by PSZJ as counsel to the Committee.

c) I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information, and belief. Moreover, I have reviewed Del. Bankr. LR 2016-2, the Administrative Order signed on or about December 6, 2024, and the Fee Examiner's Order signed on or about January 15, 2025, and submit that the Application substantially complies with such rule and orders.

/s/ Bradford J. Sandler

Bradford J. Sandler